

Baker & Hostetler LLP

45 Rockefeller Plaza

New York, NY 10111

Telephone: (212) 589-4200

Facsimile: (212) 589-4201

*Attorneys for Irving H. Picard, Trustee for the
Substantively Consolidated SIPA Liquidation of
Bernard L. Madoff Investment Securities LLC and
the Estate of Bernard L. Madoff*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Liquidation
of Bernard L. Madoff Investment Securities LLC,

Plaintiff,

v.

THE ARTHUR AND ROCHELLE BELFER
FOUNDATION, INC.,

BELFER CORPORATION,

THE 1999 BELFER PARTNERSHIP, L.P.,

LS COMMERCIAL HOLDINGS, LLC, as general
partner of The 1999 Belfer Partnership, L.P.

Adv. Pro. No. 10-05385 (SMB)

THE ROBERT A. BELFER AND RENEE E.
BELFER FAMILY FOUNDATION, and

ROBERT A. BELFER, as Trustee of The Robert A.
Belfer And Renee E. Belfer Family Foundation,

Defendants.

**STIPULATION OF PARTIAL SETTLEMENT AND STAY OF FURTHER
PROCEEDINGS UNTIL RESOLUTION OF BANKRUPTCY CODE
SECTION 546(E) APPEAL**

Irving H. Picard (the “Trustee”), as Trustee for the liquidation of the business of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.* (“SIPA”), and the substantively consolidated estate of Bernard L. Madoff individually (“Madoff”), by and through his counsel, Baker & Hostetler LLP, and defendants The Arthur and Rochelle Belfer Foundation, Inc.; Belfer Corporation; The Robert A. Belfer and Renee E. Belfer Family Foundation; Robert A. Belfer, as Trustee of The Robert A. Belfer and Renee E. Belfer Family Foundation; and Belfer Two Corporation (the “Defendants”, and with the Trustee, the “Parties”), by and through their counsel, hereby stipulate and agree to the following:

1. On December 9, 2010, the Trustee commenced this adversary proceeding against, among others, the Defendants seeking the avoidance and recovery of transfers made by BLMIS within two years of December 11, 2008 (the “Two Year Transfers”) and transfers made by BLMIS prior to December 11, 2006 (the “Non-Two Year Transfers”).

2. By Order dated April 30, 2012 (the “Dismissal Order”), the United States District Court for the Southern District of New York (the “District Court”) dismissed the Trustee’s claims to avoid and recover the Non-Two Year Transfers made to certain defendants based on an

interpretation of Bankruptcy Code Section 546(e).

3. The Trustee appealed the Dismissal Order to the United States Court of Appeals for the Second Circuit (the “546(e) Appeal”).

4. On December 8, 2014, the Second Circuit affirmed the Dismissal Order.

5. On March 17, 2015, the Trustee filed a petition for a writ of certiorari with the United States Supreme Court.

6. On March 16, 2015, the Parties entered into a settlement agreement (the “Settlement Agreement”) pursuant to the Settlement Order, entered by this Court on November 12, 2010 [Dkt. No. 3181].

7. Under the Settlement Agreement, the Parties have settled the Trustee’s claims for the Two Year Transfers but have agreed to stay this proceeding until a final, non-appealable order is issued in the 546(e) Appeal affirming or reversing the Dismissal Order.

8. If a final, non-appealable order in the 546(e) Appeal reverses the Dismissal Order, the Trustee will, as soon as practicable, dismiss the Trustee’s Two Year Transfer claims against the Defendants. The Defendants agree they will not assert any laches, statute of limitations, statute of repose, or time limitations defense based on the time period this proceeding is stayed as against them by this Stipulation. The Parties stipulate and agree that the Trustee preserves all rights, claims, causes of action, if any, against the Defendants for the Non-Two Year Transfers, and the Defendants preserve all defenses, if any, in response to the Trustee’s Non-Two Year Transfers.

9. If a final, non-appealable order in the 546(e) Appeal affirms the Dismissal Order, the Trustee will, as soon as practicable, dismiss the adversary proceeding without prejudice and without costs to either the Trustee or the Defendants.

10. The provisions of this stipulation shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns and upon all creditors and parties of interest.

Dated: March 23, 2015

BAKER & HOSTETLER LLP

/s/ Marc Hirschfield

45 Rockefeller Plaza
New York, New York 10111
Telephone: (212) 589-4200
Facsimile: (212) 589-4201
David J. Sheehan
Email: dsheehan@bakerlaw.com
Marc Hirschfield
Email: mhirschfield@bakerlaw.com
Oren J. Warshavsky
Email: owarshavsky@bakerlaw.com
Robertson D. Beckerlegge
Email: rbeckerlegge@bakerlaw.com
Anat Maytal
Email: amaytal@bakerlaw.com

*Attorneys for Irving H. Picard, Trustee for the
Substantively Consolidated SIPA Liquidation of
Bernard L. Madoff Investment Securities LLC and
the Estate of Bernard L. Madoff*

SCHLAM STONE & DOLAN LLP

/s/ Bennette D. Kramer

26 Broadway
New York, New York 10004
Telephone: (212) 344-5400
Facsimile: (212) 344-7677
Richard H. Dolan
Email: RHD@schlamstone.com
Bennette D. Kramer
Email: bdk@schlamstone.com

SO ORDERED

/s/ STUART M. BERNSTEIN

HONORABLE STUART M. BERNSTEIN
UNITED STATES BANKRUPTCY JUDGE

Dated: April 1st, 2015
New York, New York